

Kansas Health Care Stabilization Fund

Guidelines for Non-Resident Health Care Providers Licensed to Practice in Kansas

Kansas law requires that non-resident health care providers who have an active license to practice in Kansas comply with the basic professional liability insurance requirement and also participate in the Health Care Stabilization Fund. These health care providers are Medical Doctors, Doctors of Osteopathic Medicine, Chiropractors, Nurse Anesthetists and Podiatrists who are licensed or otherwise authorized to render professional services in Kansas.

Non-resident health care providers who obtain their required basic coverage from the Kansas Health Care Provider Insurance Availability Plan (the Plan), instead of a commercial insurance company, may not need to comply with the instructions in this brochure. Contact the Plan to assure that your surcharge has been paid and you are already in compliance with Kansas law.

Most non-resident health care providers who are licensed to practice in Kansas will already have adequate professional liability insurance coverage to comply with the minimum required by Kansas law. It will then be necessary to complete the Health Care Provider Insurance Availability Act Non-Resident Health Care Provider Certification Form. The completed form will then need to be submitted along with a certificate of insurance and surcharge payment to the Kansas Health Care Stabilization Fund.

The remainder of this brochure is intended to provide general information that may be helpful to non-resident health care providers.

The Kansas Health Care Stabilization Fund requirements first became effective on July 1, 1976 pursuant to the Kansas Health Care Provider Insurance Availability Act. This 1976 law included the following major provisions:

- mandated a basic professional liability insurance requirement for resident and non-resident health care providers;
- established an Availability Plan to provide the required basic professional liability insurance for those resident and non-resident health care providers who could not obtain the coverage from commercial insurers; and
- created the Health Care Stabilization Fund to provide supplemental professional liability coverage for all health care providers who practice in Kansas.

The following are some guidelines which may be helpful to non-resident health care providers who will be completing the Kansas Health Care Provider Insurance Availability Act Non-Resident Health Care Provider Certification Form. A copy of the form is appended to this document. In addition, an electronic compliance form is available at the HCSF website – www.hcsf.org. The e-compliance form can be submitted via the internet to the HCSF office and there is a separate KanPay website that allows on-line payment of the surcharge.

1. It is the responsibility of the non-resident health care provider to comply with the Kansas law. If you have been a resident health care provider, and you are now a non-resident health care provider, the compliance requirements will no longer be handled by your commercial insurance company.

2. A Certificate of Insurance from the basic professional liability carrier is required for each Fund submission. Section 3 of the certification form requires the name of the insurance company and certain policy information. The insurance company listed in this section must be authorized (admitted) to do business in Kansas. If it is not an authorized (admitted) Kansas insurance company, then a non-admitted insurance company may be used if that non-admitted insurer has filed a Declaration of Compliance Form with the Kansas Health Care Stabilization Fund. The insurance agent or company representative should be able to assist in making these determinations, but if there is a question about the status of the basic coverage insurer in Kansas, you may wish to contact the HCSF office for assistance.

3. You should furnish your basic coverage insurance company with information regarding prior Kansas practice periods along with your current plans to practice in Kansas as a non-resident health care provider.

4. Professional liability insurance being provided to non-resident health care providers by a self-insurer will not meet the basic coverage requirements of the Kansas Health Care Provider Insurance Availability Act. It will be necessary to purchase basic coverage for the Kansas practice and pay the applicable surcharge to the Health Care Stabilization Fund.

5. Each health care provider is required to pay a minimum compliance surcharge of \$50.00 per policy period.

Instructions and surcharge rate calculation worksheet for non-resident health care providers who have an active license to render professional services in Kansas

If you need assistance completing the non-resident Kansas Health Care Stabilization Fund compliance form or need assistance calculating the Fund surcharge payment, please send an electronic mail message to hcsf@hcsf.org and your question will be routed to the appropriate member of the staff. You may also send your questions via fax message to (785) 291-3550.

This form is for calculation purposes only and is not to be returned to the Health Care Stabilization Fund. Please keep this form for your records.

Use the following worksheet to calculate the Fund surcharge owed:

- Step 1. On page 4 of these instructions find the Fund Class Group which best describes your Kansas professional services. Write that Fund Class Group here: _____
- Step 2. Determine the number of years you have been paying surcharges to the Kansas Health Care Stabilization Fund. Write that number here: _____
- Step 3. Determine what Health Care Stabilization Fund coverage limits are desired and enter the option number from page 5, 6, or 7 of these instructions here: _____ **(Once you have selected a Fund coverage limit, you may not increase that Fund coverage limit unless you apply for and receive approval from the Board of Governors.)**
- Step 4. From the rate tables on pages 5-7 find the Health Care Stabilization Fund annual surcharge amount based on your Fund Class Group and the number of years that you have been participating in the Fund. Write that amount on the line below:

\$ _____ Annual Surcharge for provider Fund Class Group, years of Fund compliance and selected Health Care Stabilization Fund coverage limit. (Please see enclosed rate table).

x _____ % Kansas practice as a percent of your total professional practice (not less than 1%).

\$ _____ HCSF Surcharge Amount Due **(Minimum surcharge payment per compliance period is \$50.00).**

- Step 5. Complete the Kansas Health Care Provider Insurance Availability Act Non-Resident Health Care Provider Certification Form. Mail the completed form and a copy of your current Certificate of Insurance for your basic professional liability insurance along with your HCSF surcharge amount owed to the Health Care Stabilization Fund, 300 SW 8th Avenue, 2nd Floor, Topeka, Kansas 66603-3912.

INSTRUCTIONS:

- A. If you have an active license to practice in Kansas, the Non-Resident Health Care Provider Certification Form should be completed and returned to this office with the applicable Fund surcharge payment.
- B. For purposes of verifying residency, **your legal home address information must be provided**. This form is designed to allow you to provide a separate mailing address, if desired. If you prefer that all correspondence be sent to your place of business, complete the "Mailing address" field in section 1 of the form.
- C. The maximum compliance period allowed is one annual period. **A \$50.00 minimum surcharge is required per compliance period.**
- D. A copy of the current Certificate of Insurance for the basic professional liability insurance is required with each submission.
- E. Return the completed form with certificate of insurance and surcharge payment to:
Kansas Health Care Stabilization Fund
300 S.W. 8th Avenue, 2nd Floor
Topeka, Kansas 66603-3912

HEALTH CARE STABILIZATION FUND SURCHARGE RATING CLASSIFICATION SYSTEM PROCEDURES
For Non-Resident Health Care Providers with an Active License to Render Professional Services in Kansas
Effective July 1, 2013

Non-resident health care providers who are not obtaining the required basic professional liability coverage from the Kansas Health Care Provider Insurance Availability Plan are to review HCSF CLASS GROUPS 1 through 14 to select the Fund Class Group which best describes his or her Kansas professional services. Only individual non-resident health care providers (no out-of-state professional corporations, hospitals, clinics or other entities) are required nor eligible to comply with the Kansas Health Care Providers Insurance Availability Act.

	Instructions
1.	Determine the Year of HCSF Compliance (for Fund Class Groups 1 through 14): Find the number of years the health care provider has been rendering professional services in Kansas and complying with the Health Care Stabilization Fund (not including time spent in postgraduate training programs).
2.	Select Fund Coverage Limits: Initial selection of one of the Fund coverage limits or subsequent selection of lower Fund coverage limit <u>requires</u> the signature of the health care provider on the Fund Nonresident Certification form. The Fund coverage limit <u>may be increased only by submitting</u> a signed Request For Increased Coverage Limits Form to the Health Care Stabilization Fund Board of Governors.
3.	<p>Modification of the Annual Dollar Surcharge Rates is permitted for the following purposes only:</p> <p>(a) Non-resident time spent in Kansas practice. The annual dollar surcharge rates shown in the tables may be reduced based on the pro-rated amount of time or professional services that are rendered in Kansas. The minimum surcharge for a compliance period is \$50.00. Other than being reasonable, there are no specific guidelines to be followed to determine the percentage of time or what pro-rated amount of professional services you may assign to your Kansas practice. The Kansas pro-rata percentage that you determine to be applicable to your professional practice is to be entered into the second space under Step 4 of the worksheet on page 2. Note that the minimum you may enter is one percent.</p> <p>(b) Pro-rata basis for policy periods of less than one year. Pro-rata adjustment is always based on an annual period of 365 days. Do not make any adjustments for policy periods based on a 366 day leap-year. Determine the number of days of active licensure to practice in Kansas and divide that number by 365 to calculate the ratio. Multiply the ratio by 100 to convert it to a percentage.</p> <p>(c) Intermittent practice periods. If it is your intent to practice in Kansas intermittently throughout the year, it is recommended that an active license be maintained continuously. Otherwise, it will be necessary to inactivate the license at the conclusion of each compliance period. If an active license is maintained throughout the year, the percentage of Kansas practice should be based on a best estimate of the total number of days that you will render professional services in Kansas.</p>
4.	Rounding Rule For All Surcharge Payments: Round all surcharge payments to the nearest whole dollar amount. Amounts of <i>49 cents</i> or less shall be rounded down to the next lowest whole dollar. Amounts of <i>50 cents</i> or more shall be rounded up to the next highest whole dollar.
5.	A minimum \$50.00 HCSF surcharge payment per compliance period is required.

To Determine the Applicable Fund Surcharge Rate: From the table on this page, find which Fund Classification Group best describes your professional services. **The HCSF CLASS GROUP surcharge rates can be found in the applicable Fund coverage level tables on the following pages.**

HEALTH CARE STABILIZATION FUND SURCHARGE RATING CLASSIFICATION SYSTEM	
HCSF CLASS GROUPS	CLASS GROUP DESCRIPTIONS – Important Note: <i>Non-resident health care providers insured by the Kansas Health Care Provider Insurance Availability Plan (Plan) will be processed into compliance by the Plan. Please refer to the table at the bottom of this page for additional information.</i>
PHYSICIANS AND SURGEONS (M.D. & D.O.)	
1	Physicians-No Surgery - Includes: Allergy, Dermatology, Forensic Medicine, Legal Medicine, Pathology, Psychiatry (both adult and child), Psychoanalysis, Psychosomatic Medicine, or Public Health.
2	Physicians-No Surgery - Includes: Aerospace Medicine, Cardiovascular Disease, Diabetes, Endocrinology, Family Practice, Gastroenterology, General Practice, General Preventive Medicine, Geriatrics, Gynecology, Hematology, Hypnosis, Infectious Diseases, Internal Medicine, Laryngology, Neoplastic Diseases, Nephrology, Neurology (including child), Nuclear Medicine, Nutrition, Occupational Medicine, Ophthalmology, Otology, Otorhinolaryngology, Pediatrics, Pharmacology, Physiatry, Physical Medicine & Rehabilitation, Pulmonary Diseases, Radiology, Rheumatology, Rhinology, Urgent Care Physicians or other Physicians who are not performing surgery and are not otherwise classified.
3	Physicians-Performing Minor Surgery or Assisting in Surgery - Includes: Cardiovascular Disease, Dermatology, Diabetes, Endocrinology, Family Practice (no obstetrics), Gastroenterology, General Practice, Geriatrics, Gynecology, Hematology, Infectious Diseases, Internal Medicine, Intensive Care Medicine, Invasive Procedures (as defined and classified by the basic coverage insurer), Laryngology, Neoplastic Diseases, Nephrology, Neurology (including child), Ophthalmology (including minor and major surgery), Otology, Otorhinolaryngology, Pathology, Pediatrics, Radiology, Rhinology, Shock Therapy or other Physicians who are performing minor surgery and are not otherwise classified.
4	Family Physicians or General Practitioners Performing Minor Surgery or Assisting in Surgery - Includes obstetrical procedures, but not cesarean sections.
5	Surgical Specialists - Includes: Broncho-Esophagology, Colon and Rectal, Endocrinology, Gastroenterology, Geriatrics, Neoplastic, Nephrology, Urological, Family Physicians or General Practitioners performing major surgery.
6	Surgical Specialists - Includes: Emergency Medicine (no major surgery), Laryngology, Otology, Otorhinolaryngology, or Rhinology.
7	Specialists in Anesthesiology - Includes: Physicians or DDS certified by the Board of Healing Arts to administer anesthetics.
8	Surgical Specialists - Includes: Emergency Medicine (including major surgery), Abdominal, Bariatric, Gynecology, Hand, Head and Neck, Plastic (Otorhinolaryngology), Plastic (Not Otherwise Classified), or General (This classification does not apply to any primary care physician or specialist who occasionally performs major surgery).
9	Surgical Specialists - Includes: Cardiac, Cardiovascular Disease, Orthopedic, Thoracic, Traumatic, or Vascular.
10	Surgical Specialists - Includes: Obstetrics, Obstetrics & Gynecology, Perinatology.
11	Surgical Specialists - Includes Neurology (both adult and child).
CHIROPRACTORS	
12	All Chiropractors
REGISTERED NURSE ANESTHETISTS	
13	All Nurse Anesthetists
PODIATRISTS	
14	All Podiatrists

NON-RESIDENT HEALTH CARE PROVIDERS OBTAINING THE REQUIRED KANSAS BASIC PROFESSIONAL LIABILITY INSURANCE COVERAGE FROM THE HEALTH CARE PROVIDER INSURANCE AVAILABILITY PLAN	
The following percentage surcharge rates are applicable to the premium charged by the Health Care Provider Insurance Availability Plan for the required basic professional liability coverage:	
For Fund Coverage	The Fund Surcharge
Limit Of:	Rate Is:
\$100,000/\$300,000	23%
\$300,000/ \$900,000	35%
\$800,000/\$2,400,000	40%
NOTE: Non-resident health care providers insured by the Health Care Provider Insurance Availability Plan will pay the Health Care Stabilization Fund surcharge in accordance with the information provided by the Plan. The Plan will provide the Fund with the necessary Fund compliance documentation and surcharge payment. The minimum \$50.00 surcharge is applicable.	

Health Care Stabilization Fund Surcharge Rates (Effective July 1, 2013)

OPTION 1*

[\$100,000 per claim with \$300,000 annual aggregate limit]

<u>Fund Class Group</u>	<u>General Description</u>	<u>1st Year of Fund Compliance</u>	<u>2nd Year of Fund Compliance</u>	<u>3rd Year of Fund Compliance</u>	<u>4th Year of Fund Compliance</u>	<u>5th Year of Fund Compliance</u>
1	physicians	\$ 68	\$ 177	\$ 277	\$ 306	\$ 342
2	physicians	\$ 154	\$ 398	\$ 624	\$ 690	\$ 773
3	physicians	\$ 212	\$ 546	\$ 861	\$ 951	\$ 1,063
4	physicians	\$ 237	\$ 613	\$ 962	\$ 1,061	\$ 1,189
5	physicians	\$ 257	\$ 670	\$ 1,054	\$ 1,165	\$ 1,301
6	physicians	\$ 301	\$ 777	\$ 1,223	\$ 1,351	\$ 1,510
7	physicians	\$ 224	\$ 580	\$ 915	\$ 1,009	\$ 1,129
8	physicians	\$ 576	\$ 1,490	\$ 2,348	\$ 2,592	\$ 2,898
9	physicians	\$ 580	\$ 1,495	\$ 2,357	\$ 2,599	\$ 2,910
10	physicians	\$ 846	\$ 2,192	\$ 3,454	\$ 3,810	\$ 4,265
11	physicians	\$ 1,423	\$ 3,675	\$ 5,790	\$ 6,390	\$ 7,148
12	chiropractors	\$ 50	\$ 112	\$ 179	\$ 196	\$ 219
13	nurse anesthetists	\$ 75	\$ 194	\$ 303	\$ 335	\$ 378
14	podiatrists	\$ 166	\$ 429	\$ 674	\$ 745	\$ 832
15	Availability Plan	23%	23%	23%	23%	23%
16	business entities	22%	22%	22%	22%	22%
17	hospitals & A.S.C.s	22%	22%	22%	22%	22%
18	C.M.H.C.s	22%	22%	22%	22%	22%
19	psychiatric hosp.	22%	22%	22%	22%	22%
20	residents in training	22%	22%	22%	22%	22%

* As of July 1, 2013 the additional surcharge for Kansas resident health care providers with an active Missouri license is 30%.

Health Care Stabilization Fund Surcharge Rates (Effective July 1, 2013)

OPTION 2*

[\$300,000 per claim with \$900,000 annual aggregate limit]

<u>Fund Class Group</u>	<u>General Description</u>	<u>1st Year of Fund Compliance</u>	<u>2nd Year of Fund Compliance</u>	<u>3rd Year of Fund Compliance</u>	<u>4th Year of Fund Compliance</u>	<u>5th Year of Fund Compliance</u>
1	physicians	\$ 119	\$ 308	\$ 486	\$ 537	\$ 600
2	physicians	\$ 267	\$ 693	\$ 1,094	\$ 1,208	\$ 1,354
3	physicians	\$ 368	\$ 957	\$ 1,508	\$ 1,663	\$ 1,862
4	physicians	\$ 417	\$ 1,070	\$ 1,687	\$ 1,860	\$ 2,079
5	physicians	\$ 455	\$ 1,170	\$ 1,844	\$ 2,035	\$ 2,276
6	physicians	\$ 526	\$ 1,358	\$ 2,142	\$ 2,363	\$ 2,641
7	physicians	\$ 394	\$ 1,013	\$ 1,601	\$ 1,765	\$ 1,975
8	physicians	\$ 1,010	\$ 2,607	\$ 4,108	\$ 4,536	\$ 5,074
9	physicians	\$ 1,014	\$ 2,616	\$ 4,124	\$ 4,551	\$ 5,090
10	physicians	\$ 1,485	\$ 3,833	\$ 6,041	\$ 6,670	\$ 7,460
11	physicians	\$ 2,491	\$ 6,428	\$ 10,133	\$ 11,180	\$ 12,509
12	chiropractors	\$ 76	\$ 197	\$ 312	\$ 344	\$ 384
13	nurse anesthetists	\$ 129	\$ 337	\$ 532	\$ 586	\$ 659
14	podiatrists	\$ 290	\$ 749	\$ 1,180	\$ 1,304	\$ 1,458
15	Availability Plan	35%	35%	35%	35%	35%
16	business entities	33%	33%	33%	33%	33%
17	hospitals & A.S.C.s	33%	33%	33%	33%	33%
18	C.M.H.C.s	33%	33%	33%	33%	33%
19	psychiatric hosp.	33%	33%	33%	33%	33%
20	residents in training	33%	33%	33%	33%	33%

* As of July 1, 2013 the additional surcharge for Kansas resident health care providers with an active Missouri license is 30%.

Health Care Stabilization Fund Surcharge Rates (Effective July 1, 2013)

OPTION 3*

[\$800,000 per claim with \$2,400,000 annual aggregate limit]

Fund Class Group	General Description	1st Year of Fund Compliance	2nd Year of Fund Compliance	3rd Year of Fund Compliance	4th Year of Fund Compliance	5th Year of Fund Compliance
1	physicians	\$ 150	\$ 387	\$ 610	\$ 674	\$ 753
2	physicians	\$ 340	\$ 873	\$ 1,376	\$ 1,522	\$ 1,699
3	physicians	\$ 465	\$ 1,202	\$ 1,895	\$ 2,093	\$ 2,339
4	physicians	\$ 519	\$ 1,342	\$ 2,117	\$ 2,339	\$ 2,616
5	physicians	\$ 570	\$ 1,471	\$ 2,318	\$ 2,558	\$ 2,861
6	physicians	\$ 662	\$ 1,707	\$ 2,690	\$ 2,969	\$ 3,322
7	physicians	\$ 495	\$ 1,276	\$ 2,012	\$ 2,219	\$ 2,482
8	physicians	\$ 1,270	\$ 3,278	\$ 5,166	\$ 5,699	\$ 6,377
9	physicians	\$ 1,276	\$ 3,289	\$ 5,183	\$ 5,721	\$ 6,399
10	physicians	\$ 1,869	\$ 4,820	\$ 7,596	\$ 8,387	\$ 9,379
11	physicians	\$ 3,128	\$ 8,083	\$ 12,736	\$ 14,058	\$ 15,724
12	chiropractors	\$ 95	\$ 246	\$ 389	\$ 429	\$ 481
13	nurse anesthetists	\$ 166	\$ 423	\$ 671	\$ 740	\$ 827
14	podiatrists	\$ 364	\$ 941	\$ 1,485	\$ 1,638	\$ 1,833
15	Availability Plan	40%	40%	40%	40%	40%
16	business entities	38%	38%	38%	38%	38%
17	hospitals & A.S.C.s	38%	38%	38%	38%	38%
18	C.M.H.C.s	38%	38%	38%	38%	38%
19	psychiatric hosp.	38%	38%	38%	38%	38%
20	residents in training	38%	38%	38%	38%	38%

* As of July 1, 2013 the additional surcharge for Kansas resident health care providers with an active Missouri license is 30%.

Kansas Health Care Provider Insurance Availability Act

Non-Resident Health Care Provider Certification Form

[This form may be completed on your computer and then printed.]

CERTIFICATE OF INSURANCE REQUIRED

Section 1 – Health Care Provider Identification and Residency

Health care provider's name:

Last name, first name, middle initial, and professional acronym

Legal residence (cannot be Kansas):

Street address, city, state, zip code, and country

Daytime phone number:

Email address:

Mailing address (if different from residence):

Street address, city, state, zip code, and country

Section 2 – HCSF Coverage and Health Care Provider Credentials

A. Health Care Stabilization Fund coverage:

Year of HCSF compliance (select one)

☐ 1st yr☐ 2nd yr☐ 3rd yr☐ 4th yr☐ ≥5th yr

HCSF coverage limits (select one)

☐ \$100,000/\$300,000☐ \$300,000/\$900,000☐ \$800,000/\$2.4M

B. Statutory credentials:

Kansas licensing agency

License number

Professional specialty

HCSF classification group number

Section 3 – Insurance Policy and Information *(certificate of insurance is required for each submission)*

Insurance company name:

Insurance company address:

Street address, city, state, zip code, and country

Insurance policy number:

Type of coverage:

☐

Claims made

☐

Occurrence

Renewal or effective date:

Expiration date:

Section 4 – HCSF Surcharge Calculation

Percent of professional practice in Kansas: % (This ratio may be the result of the number of days for a locum tenens assignment divided by 365 days if the primary policy is short-term, or it may be a reasonable estimate comparing the amount of patient care provided in Kansas compared to the health care provider's total professional practice during a twelve month period. The percent should be rounded to the nearest whole number and may not be less than one percent.)

HCSF Premium Surcharge Payable: \$

NOTE: The minimum surcharge payable per compliance period is \$50

Section 5 – Health Care Provider's Certification

I hereby certify that: (1) I am maintaining a policy of professional liability insurance with limits of not less than \$200,000 per claim and \$600,000 annual aggregate coverage in accordance with the Kansas Health Care Provider Insurance Availability Act, (2) the above information is true and correct to the best of my knowledge, and (3) I will notify the HCSF Board of Governors in the event of any changes in my professional liability insurance coverage.

Signature:

Date signed:

HCSF USE ONLY